

TRANSMITTAL #1

MEMORANDUM

August 14, 2008

TO: Youth Program Design Committee
Workforce Development Council

FROM: Roger B. Madsen, Director

SUBJECT: Youth Program Design

ACTION REQUESTED: Finalize Recommendations for WIA Youth Service Delivery

BACKGROUND:

At its June meeting, the Youth Program Design Committee reviewed its previous decisions related to Workforce Investment Act (WIA) youth program design regarding who will be served and what services will be provided. The committee reviewed three options regarding how services will be provided but did not make a final recommendation. To continue this decision-making process, related information and all options are again provided below.

Previous Decisions

Decisions already made as to who will be served and what services will be provided will be incorporated into options regarding how services will be provided, including:

WHO ~ A portion of youth funds must be set aside for in-school youth who are in alternative high schools or enrolled in secondary programs leveraging Carl Perkins and/or local technical education funds. Remaining funds will focus on *out-of-school youth*, with a priority on individuals from juvenile justice, aging out of foster care, pregnant and parenting and individuals with disabilities.

WHAT ~ Elements found to be commonly available to low income youth ~ tutoring, alternative school, guidance and counseling ~ will be *coordinated* with other providers in the communities, rather than purchased with WIA funds.

Federal and State Decisions

Federal regulations and USDOL guidance have advocated enhanced integration of youth services through the One Stop system. All options will incorporate delivery of *out-of-school youth* services through the One Stop offices.

To maximize delivery of participant services with dwindling dollars, the Workforce Development Council has asked for a 50/50 split between staff and participant expenditures in WIA Adult and Dislocated Worker programs. This policy will be applied to out-of-school youth program funds

The WIA Act and regulations clarify that requirements to award a grant on a competitive basis **do not apply to the design framework components** where these services are provided by the grant recipient/fiscal agent. The design framework includes intake, assessment, development of an individual's service plan and overall case management. In Idaho, the grant recipient/fiscal agent is the Idaho Department of Labor.

Options the committee has considered for selection of service providers include:

OPTION 1 PROCURE ALL OUT-OF-SCHOOL YOUTH PROGRAM SERVICES

Set aside a portion of youth funds to offer the design framework and 10 elements to in-school youth who are in alternative high schools or enrolled in secondary programs. All funds would be procured competitively and matched by local Carl Perkins and/or local technical education funds. Procure all out-of-school youth program services to include the design framework and the seven youth elements not commonly available to low income youth. Respondents may compete for delivery of all out-of-school services or any portion thereof.

Require service delivery through all One Stop Centers for out-of-school youth; in-school and alternative school may be offered at One Stop Centers or participating school district locations and Require 50/50 staff/participant expenditure rate.

PROS:

- Full and open competition among potential service providers.
- May identify creative service designs through the competitive process.

CONS:

- Increased costs for state oversight responsibilities of contracting, monitoring, MIS access and training new provider staff within dramatically reduced resources.
- Increased local staff costs with additional numbers of providers.
- Duplication of management functions with additional provider sites.
- Fractured delivery of youth program among successful provider organizations.
- Decreased uniformity for intake, assessment, information and referral to services.
- Negative impact on dollars available for participant services.
- Requires investment of time and dollars for full procurement of service elements.

OPTION 2 GRANT RECIPIENT DELIVERS DESIGN FRAMEWORK; APPLY FOR WAIVERS TO INTEGRATE DELIVERY OF YOUTH SERVICES WITH DESIGN FRAMEWORK

Set aside a portion of youth funds for in-school youth enrolled in secondary or alternative schools; require match of local school district Carl Perkins or technical education funds. Assign delivery of the 'youth framework' component to the state's grant recipient/fiscal agent, the Idaho Department of Labor. All intake, assessment, completion of individual service strategies and case management would be provided within the One Stop offices and be delivered by One Stop operator staff. Further integrate service delivery in the One Stop Centers by seeking waivers of statutory and regulatory requirements in related areas where other states have been successful in obtaining waivers:

Waive competitive selection of providers for youth paid and unpaid work experiences, supportive services and follow-up services. Include these services in Idaho's definition of 'framework services'.

Waive prohibition on the use of WIA Youth funds for Individual Training Accounts (ITAs) for older youth. ITAs allow older youth to review the eligible training provider list and select an occupational training provider as in the Adult and Dislocated Worker programs.

***Require service delivery through all One Stop Centers and
Require 50/50 staff/participant expenditure rate.***

PROS:

- Consistent access to and delivery of intake, objective assessment, individual service strategy development, labor market information, work experiences, supportive services, follow-up services and classroom training options; uniformity in the provision of information and referrals to other community services and government programs.
- Seamless delivery of youth program services; integration with one stop service system.
- Decreased ongoing state costs for oversight responsibilities of contracting, monitoring, MIS access and training for fewer provider staff.
- Decreased local staff costs.
- Brings consistency to occupational classroom training processes for all WIA funding streams.
- Eliminates investment of time and dollars for procurement of service elements and maintains flexibility to leverage funds and pilot programs to address emerging issues.

CONS:

- Eliminates opportunities for other entities to compete for out-of-school service delivery contracts, including individuals currently providing youth services in Region I and IV.

OPTION 3 GRANT RECIPIENT DELIVERS DESIGN FRAMEWORK FOR OUT-OF-SCHOOL YOUTH; SOME PROGRAM ELEMENTS ARE PROCURED AND WAIVERS ARE REQUESTED FOR OTHERS.

This option combines elements of Option 1 and Option 2. Set aside a portion of funds for programs serving in-school youth enrolled in alternative high schools or technical education programs. Require a 100 percent match of Carl Perkins and/or local technical education funds. Assign delivery of the 'youth framework' component for out-of-school youth to the state's grant recipient/fiscal agent, the Idaho Department of Labor. If this option is selected the Subcommittee would need to recommend procurement for select program elements and/or waivers for others. For in-school youth, the Department of Labor may provide youth framework services or the successful bidder may offer a comprehensive program.

*Require service delivery for out-of-school youth through all One Stop Centers,
Procure service delivery for in-school youth, require 100 percent local match in technical education funds and
Require 50/50 staff/participant expenditure rate.*

PROS:

- Allows competition for specific services.
- May identify creative service design for specific services.
- Consistent access to 'design framework' services for out-of-school youth with similar option for in-school youth ~ intake, objective assessment, individual service strategy development and overall case management.

CONS:

- Limits competitive opportunities for delivery of some services.
- Fractured delivery of youth program services among providers.
- Decreased consistency in access and delivery for specific services.
- Increased state administrative costs for oversight responsibilities of contracting, monitoring, MIS access and training for fewer provider staff (less than Option 1, more than Option 2).
- Increased local staff costs (less than Option 1, more than Option 2).
- Less investment of time and dollars for procurement of service elements than in Option 1; more than in Option 2.

Background:

The Workforce Development Council adopted policies to maintain funding for actual participant training during several years of decreased funding in all WIA programs. Future funding cuts are anticipated. Federal regulations and guidance from our federal partner direct states to enhance integration of service delivery, eliminate unnecessary overhead costs and simplify administration in order to preserve resources for training.

Staff Recommendations:

1. Staff recommend that the Youth Program Design Committee finalize its decisions in two areas:
 - Determine the final option regarding how youth program services will be delivered.
 - Determine the percent of funds, if any, to be set aside for in-school youth services, establish the process for selecting service providers of in-school youth services and determine the level of match required for these services from state or local technical education funds. The chart below reflects current year WIA youth program funding and the dollar impact of certain set-aside percentages.

	Area Allocations PY07 Youth	10% Set- aside for in-school	20% Set- aside for in-school	30% Set- aside for in-school
Area 1	\$ 576,674	\$ 57,667	\$ 115,335	\$ 173,002
Area 2	\$ 400,868	\$ 40,087	\$ 80,174	\$ 120,260
Area 3	\$ 535,205	\$ 53,521	\$ 107,041	\$ 160,562
Area 4	\$ 151,664	\$ 15,166	\$ 30,333	\$ 45,499
Area 5	\$ 113,894	\$ 11,389	\$ 22,779	\$ 34,168
Area 6	\$ 168,602	\$ 16,860	\$ 33,720	\$ 50,581
TOTAL	\$ 1,946,907	\$ 194,691	\$ 389,381	\$ 584,072

Once finalized, staff will prepare all Youth Program Design Committee recommendations for the Workforce Development Council's consideration at its September meeting.

2. Prior to the initial meetings of this committee, staff suggested implementation of the new youth program design effective January 1, 2009. To avoid additional administrative costs of closing current contracts and issuing new contracts for only six months and to allow appropriate time for completion of any procurement processes, staff recommends implementation of the new youth program design effective July 1, 2009.

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